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by

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**Help Wanted, Help Needed: Post 9/11 Veterans Reintegration into the  
Civilian Labor Market**

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**Help Wanted, Help Needed: Post 9/11 Veterans' Reintegration into the  
Civilian Labor Market**

**by**

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**Report**

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## **Abstract**

### **Help Wanted, Help Needed: Post 9/11 Veterans Reintegration into the Civilian Labor Market**

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Since the terrorist attacks of September 11, 2001, military personnel participating in combat operations in Afghanistan and Iraq have been plagued by traditional barriers to successful labor market attachment such as health and mental health concerns, employer stigma, and difficulty translating military training and experience to the civilian market, but also by a lagging economy. Veteran status since Vietnam has historically been linked to negative employment outcomes over the life course. Currently, the U.S. Bureau of Labor Statistics reports an unemployment rate of 9.5% for male Iraq and Afghanistan Veterans, and a 12.1% rate for their female counterparts. Veterans aged 20-24 have a 20.1% unemployment rate, nearly five points higher than that of their civilian peers. To compound the problem, an overly passive labor market policy prevents access to

education and training that civilian employers value most. As Veterans continue to separate from the armed forces the United States, employers and policymakers can choose to capitalize on their skills, experience, and willingness to serve, or risk alienating another generation of young service members. This paper addresses five key categories that serve as barriers to successful labor market attachment and summarizes both governmental and private-sector programs designed to assist military personnel in their transition to civilian work. Finally, it provides policy options for remedying the post-9/11 Veterans labor market transition problem through improving service coordination and delivery, deliberately developing human capital through military service, and increasing employer responsibility for skill development and labor market attachment.

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## Chapter 1: Introduction

Since the terrorist attacks of September 11<sup>th</sup>, 2001 and the following start of the Afghanistan war in October 2001 and Iraq War in March 2003, the United States military spending has grown substantially, with the Defense Department spending \$700 billion on the two conflicts.<sup>1</sup> However, with the de-escalation of ground troop conflict in Iraq in 2010, and President Obama's promise to end the war in Afghanistan by 2015, over 1 million Veterans are projected to leave the military before 2016, creating a host of new public policy problems.<sup>2,3</sup> Re-integrating these military personnel back into civilian life and the civilian workforce presents substantial public policy challenges to the current U.S. Workforce system. While military personnel are on average more educated than their civilian counterparts, and there is evidence to support that military service can lead to higher lifelong earnings over time, post 9/11 Veterans are facing challenges in accessing both initial post-separation employment opportunities and long-term, high wage careers.

Transitioning Veterans are faced with a plethora of challenges, ranging from mental health diagnoses and physical injuries to difficulties readjusting to family life to

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<sup>1</sup> David Leonhardt, "What \$1.2 Trillion Can Buy," The New York Times (New York, NY), January 17, 2007, Business, accessed April 22, 2013, [http://www.nytimes.com/2007/01/17/business/17leonhardt.html?\\_r=0](http://www.nytimes.com/2007/01/17/business/17leonhardt.html?_r=0).

<sup>2</sup> "Fact Sheet: President Obama's Commitment to Employing America's Veterans," The White House Office of the Press Secretary, last modified August 5, 2011, <http://www.whitehouse.gov/the-press-office/2011/08/05/fact-sheet-president-obama-s-commitment-employing-america-s-veterans>.

<sup>3</sup> In January 2009, Secretary Shinseki issued a directive indicating in VA publications the "v" in "veteran" should be capitalized to read "Veteran" when used as a proper noun. This report follows that directive.

hunger and homelessness. Difficulty finding gainful employment exacerbates these challenges, and Veterans will continue to need support in securing civilian work. However, the U.S. education and workforce development systems combined are ill equipped to do so. Widely criticized for its' overly market-based approach and lack of sectoral strategies that meet employer and worker needs, the U.S. workforce development system is the product of passive labor market policy.<sup>4</sup> U.S. workforce development spending, combined with Career and Technical Education funding, the Supplemental Nutrition Assistance Program (SNAP, otherwise known as food stamps), and Temporary Assistance for Needy Families (TANF), all of which hold improving employment outcomes as programmatic goals, is a key part of the U.S. social safety net. However, political criticism of such programs continues to increase, making advocacy for such assistance more difficult and necessary.

Newly separated Veterans re-integrate into the civilian labor market in a number of ways. The post 9/11 GI bill is widely utilized, and though its benefits for post-secondary education and job training are generous, they do not compare to the initial post World War II program. Veterans without interest in seeking higher education face a separate set of challenges. While a coalition of private sector entities, from the chamber of commerce to individual corporations such as Wal-Mart and JP Morgan Chase have launched various initiatives to both connect Veterans to employment and make direct hires of Veterans and their families, these initiatives do not address the issues of long-

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<sup>4</sup> Kathy Krepcio and Michele A. Martin, *The State of the U.S. Workforce System: A Time for Incremental Realignment or Serious Reform?* (Camden, NJ: John J. Heldrich Center for Workforce Development; Rutgers University, 2012)

term career satisfaction, developing a career-ready military, and ensuring living-wage employment in the short-term. While the traditional workforce development system is available, and there are resources available exclusively for Veterans, there is still some debate as to whether or not these programs are effective in preparing participants for meaningful living-wage careers in the long-term, particularly for at-risk populations with multiple challenges to overcome.

This paper seeks to answer the following questions:

- What are the key barriers to Gulf War-II Veterans achieving successful employment post military-release in the civilian labor market?
- What are the major resources available for civilian labor market reintegration and how can these resources be made more effective?
- What are the policy implications of large numbers of active duty personnel continuing to separate from military service in a lagging economy, and how can lawmakers, administrators, and advocates address these issues?
- How can the United States use this opportunity to improve its workforce development system?

## **METHODOLOGY**

Much of this report is exploratory in nature, and seeks to develop a comprehensive assessment of the resources available for Iraq and Afghanistan Veterans in reintegrating into civilian life. While this paper addresses national policy issues, the author is currently completing her social work final field placement at the Veterans Health Administration of Central Texas, and relied on local practitioners to provide information on VA programs. Additionally, descriptions of state-based programs and the workforce development opportunities available in Texas are not necessarily unique, nor comprehensive, and reflect the author's proximity to interview subjects and their

willingness to participate in interviews. Non-profit organizations, whether receiving federal grants or not, were chosen based on their program offerings. The author has also conducted phone and in-person interviews with other governmental agencies, non-profit organizations, and business advocacy groups based in Central Texas and nationally. A list of individuals interviewed and their respective programs and organizations can be found in Appendix 1. Appendix 2 contains a list of guiding interview questions.

The author also reviewed relevant analyses of major legislative and administrative efforts made on a state and national level to remedy the problem of Veterans' workforce transitions. She reviewed reports issued by both policy advocacy groups and the limited academic research available on the subject.

## **REPORT ORGANIZATION**

Chapter 2 provides demographic information on the newly returned Veteran population, and discusses relevant research on military service and connection to civilian labor market outcomes.

Chapter 3 categorizes five key barriers to successful employment and labor market attachment that young Veterans face during their transition to civilian work. Programmatic interventions discussed throughout the paper will be assessed in the context of mitigating one or more of these five barriers.

Chapter 4 discusses higher education as workforce development and the value of the post 9/11 GI Bill. It also addresses the growing number of young Veterans attending for-profit colleges and universities and the possible challenges that may arise from this

system. It also examines the College Credit for Heroes Program, a project of the Texas Workforce Commission, as a case study in aiding the military-to-civilian work transition.

Chapter 5 covers Veterans-targeted workforce development programs, at both the state and the federal level. It attempts to summarize the programs available, both pre- and post- 9/11, and make sense of how agencies work in collaboration, or not, to provide employment assistance to the Veteran population.

Chapter 6 reviews non-governmental efforts at helping Veterans re-integrate into the civilian labor market. It covers private sector partnerships by large businesses such as Wal-Mart and JP Morgan Chase, as well as the U.S. Chamber of Commerce's small business outreach campaign, Hiring Our Heroes. The author also addresses shortcomings of these private sector attempts to provide living wage careers with long-term advancement opportunities.

Chapter 7 covers policy implications, questions for further research, and recommendations for building a more just, streamlined and flexible system built to serve Veterans over the life course. The chapter also addresses questions for further research.

Throughout this document, the author uses "post-9/11," "Gulf War II" and "Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn (OEF/OIF/OND) Veteran" interchangeably. The terms all refer to a separated, retired, or otherwise discharged former military enlistee or officer who served in the U.S. Army, Navy, Marine Corps, Air Force, National Guard or Coast Guard and ended their service after September 11<sup>th</sup>, 2001.



Like the general population, post-9/11 unemployed Veterans are not a homogenous group. Post active-duty experience, in both the labor market and otherwise, varies by socioeconomic status, race, gender, final rank, military occupational specialty or classification, educational attainment, and geographic region. Veterans' experience both during and before their service affects their condition upon release. This work attempts to acknowledge these differences and provide meaningful recommendations applicable to the needs of a wide variety of Veteran populations.

## **Chapter 2: Veterans and The Great Recession**

Despite overall economic improvements since the beginning of the Great Recession in 2008, news coverage of the Veterans' unemployment "crisis" remains frequent. On March 20th, 2013, the U.S. Bureau of Labor Statistics 2012 annual report, released reflected an overall unemployment rate of 9.5% for male Gulf War II Veterans (a reduction of two percentage points from the previous year), and a stagnant 12.1% unemployment rate for female Veterans.<sup>5</sup> More striking are the numbers for the youngest Veteran age group. Among males 20-24, 20.1% remain unemployed. This rate is substantially higher than that of non-Veterans in the same age group, 16.1%. Of the United State's 21.2 million Veterans, approximately 2.6 served in the Gulf War-II era, and nearly half the population is between the ages of 25-34.<sup>6</sup> In comparison to approximately 3% for Veterans of World War II, the Korean War and the Vietnam War, 17% of post 9/11 Veterans are women.<sup>7</sup>

Despite the onset of conflicts over ten years ago, there is minimal social scientific research on the effects of service on labor market outcomes for the post-9/11 Veteran population to date.<sup>8</sup> However, a concern for Veteran unemployment is not unique to this era. Academics have conducted ample research on service during the Vietnam conflict

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<sup>5</sup> Bureau of Labor Statistics, "Employment Situation of Veterans Summary," news release, March 20, 2013, accessed April 22, 2013, <http://www.bls.gov/news.release/vet.nr0.htm>.

<sup>6</sup> *ibid*

<sup>7</sup> *ibid*

<sup>8</sup> The War in Afghanistan," BBC History, [http://www.bbc.co.uk/history/the\\_war\\_in\\_afghanistan](http://www.bbc.co.uk/history/the_war_in_afghanistan).

and its impact on Veteran's civilian labor market outcomes. Most research shows that Veterans have difficulty attaching to consistent employment over time, with worse earnings outcomes over the life course. This is particularly true for white men, and is worsened by any service-connected disability rating. Research on Vietnam-era Veterans is fairly conclusive on these issues. Gottschalck and Holder found that within ten years of the conflict, Veterans earnings were less than their civilian counterparts, though with time, the differential has diminished.<sup>9</sup> Schwartz found that Vietnam-era Veterans had lower employment status and lower returns to education than Korean War or World War II era Veterans.<sup>10</sup> In "Employment Outcomes and PTSD Severity," Smith, Schnurr, and Rosenbeck found that Veterans with the most severe symptoms were more likely to work part-time or not at all, and that even a slight reduction in symptoms could lead to employment gains, even if overall symptoms remained severe.<sup>11</sup>

There are a few notable exceptions to generally negative findings. Berger and Hirsch found that while Vietnam Veterans' earnings were lower upon entry into the labor market, they improved slightly over time.<sup>12</sup> In 2009, Angrist found no causal relationship between military service and worsening employment outcomes.<sup>13</sup> In "How Are Iraq/Afghanistan-Era Veterans Faring in the Labor Market?" one of the few pieces of

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<sup>9</sup> Alfred O. Gottschalck and Kelly A. Holder, "We Want You! The Role of Human Capital in Explaining the Veteran-Non Veteran Earnings Differential" (working paper, U.S. Census Bureau, February 23, 2009)

<sup>10</sup> S. Schwartz, "The Relative Earnings of Vietnam and Korean-Era Veterans," *Industrial and Labor Relations Review* 39 (1986): 564-72.

<sup>11</sup> <http://link.springer.com/article/10.1007/s11020-005-3780-2#page-1>

<sup>12</sup> M. C. Berger and B. T. Hirsch, "The Civilian Earnings Experience of Vietnam-Era Veterans," *Journal of Human Resources* 18 (1983): 455-79.

<sup>13</sup> J. D. Angrist, "Lifetime Earnings and the Vietnam Era Draft Lottery: Evidence from Social Security Administrative Records," *American Economic Review* 80 (2009): 313-36.

academic research on Iraq and Afghanistan Veterans' labor market outcomes to date, Humetsky, et. al. found that while serving in Iraq or Afghanistan is positively correlated with unemployment, it is also positive correlated with higher earnings for those who are employed, as well as a higher likelihood of enrolling in post-secondary education.<sup>14</sup> Greg Greenberg and Robert Rosenheck used Current Population Survey Data to analyze rates of "nonemployment", i.e. a Veteran on unemployment insurance, dropped out of the labor force, or on disability insurance, among Veterans in six service-era cohorts since WWII. While there was minimal difference in risk of nonemployment for WWII Veterans, white Vietnam-era Veterans experienced significantly greater risk for nonemployment as recently as 2003. Despite nearly thirteen years since the onset of the conflict in Afghanistan, and over ten since the invasion of Iraq, there is minimal academic research available on employment outcomes for post 9/11 Veterans.

For women and communities of color, military service can be an asset. Using data from the 2005 American Community Survey, Gottschalck and Holder found that black male Veterans earned, on average, 10% more than black male non-Veterans. The benefit was even greater for females, where black Veterans earned 20% more than their civilian counterparts, and white female Veterans earned 9% more. White male Veterans earned, on average 8% less than the civilian group.<sup>15</sup> Gottschalck and Holder controlled for age,

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<sup>14</sup> Mark W. Smith, Paula P. Schnurr, and Robert A. Rosenheck, "Employment Outcomes and PTSD Symptom Severity," *Mental Health Services Research* 7, no. 2 (June 1, 2005): doi:10.1007/s11020-005-3780-2.

<sup>15</sup> Gottschalck and Holder, "We Want You! The Role," 12

educational attainment, marital status, part-time employment, geographic region, private sector employment, occupation, and disability status to achieve these results.

Despite extensive challenges upon return, service members as a whole are pleased with their sacrifices, and see extensive personal benefit to their service. According to a 2011 study from the Pew Center for Social Research, the military-civilian gap between views of sacrifice and service is substantial. Only approximately .5% of the U.S. adult population (18-65) has ever served on active duty, creating a gap in the understanding of sacrifice, struggle and challenges military personnel face in their return to civilian life.<sup>16</sup> While 96% of the 1,853 Veterans surveyed were proud of their service, and 86% reported their military service helped them “get ahead” in life, many confirm difficulty transitioning, especially in regards to stable employment.<sup>17</sup> 44% of Veterans surveyed reported their transition to civilian life was difficult, in contrast to just 25% of Veterans who served in prior eras. 37% report believing they experienced post-traumatic stress, whether formally diagnosed or not, as opposed to just 16% of Veterans pre- 9/11.<sup>18</sup> Only 41% of these post 9/11 Veterans reported that their military experience was “very useful” in preparing them for a job or career. 31% reported it “fairly useful” and a sizeable 27% report their military experience was not useful in this regard.<sup>19</sup> Additionally, most military recruits enter the forces at a very young age, with little to no significant work

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<sup>16</sup> Paul Taylor, ed., *The Military-Civilian Gap War and Sacrifice in the Post-9/11 Era* (Washington, DC: Pew Research Center, 2011)

<sup>17</sup> *ibid*

<sup>18</sup> *ibid*

<sup>19</sup> *ibid*

experience to draw on when they return to the civilian world. In 2009, 26% of enlisted personnel joined at age 18, and 21 % joined at age 19.<sup>20</sup>

The reasons for transition challenges are many, but some factors make transition back to civilian life easier. The Pew survey mentioned above used logistic regression to predict the likelihood of an easy transition based on 18 demographic and attitudinal variables. The study found that Veterans who were college graduates were 5% more likely than those with only high school diplomas to have an easy transition back to civilian life.<sup>21</sup> Understanding assigned missions, being an officer, and identifying with a religious tradition also increased likelihood of an easier transition. Notable negative correlates included having sustained a serious injury, being married during deployment, and knowing someone killed or injured.<sup>22</sup>

In addition to varying employment outcomes by Veteran demographics, flaws in calculating unemployment itself are widely documented. The monthly unemployment statistic released by the Department of Labor's Bureau of Labor Statistics does not reflect discouraged workers who have stopped looking for work, does not account for partial employment or other forms of underemployment, and does not account for recipients using unemployment insurance, as they are entitled to do, in times of transition or while pursuing job training programs. Military personnel exiting the active-duty service are entitled to unemployment insurance (UI) as their enlistments and contracts end per the

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<sup>20</sup> Joint Economic Committee, Broken Promise: The Need to Improve Economic Security for Veterans, Rep. No. 112, 1st, at 6 (2011)

<sup>21</sup> Taylor, The Military-Civilian Gap War and Sacrifice

<sup>22</sup> *ibid*

Ex-Servicemen's Unemployment Act of 1958.<sup>23</sup> The Emergency Unemployment Compensation Act of 1991 requires that Veterans be treated equivalent to civilians in terms of benefit levels, wait times, and benefit duration.<sup>24</sup> Some research suggests that UI eligibility itself prevents recipients from seeking gainful employment. In "Is the Threat of Reemployment Services More Effective than the Services Themselves? Evidence from Random Assignment in the UI System," Black, Smith, Berger, and Noel found that being exposed to mandatory employment services programming resulted in an earlier exit from UI among treatment recipients than among their control group.<sup>25</sup>

While the Veterans joblessness "crisis" may seem pervasive given the extensive media coverage, the numbers may not tell a complete story. Some professionals in the field think the problem may be overstated. Major Maria Kimble, a National Guard behavioral health officer and Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn (OEF/OIF/OND) case manager at the Veteran Health Administration of Central Texas, stated "Veterans are eligible for unemployment when they leave the military, and most take advantage of that eligibility. There's nothing wrong with that. Of course some people have prolonged unemployment, or have trouble

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<sup>23</sup> United States Congress Congressional Research Service, Unemployment Compensation (Insurance) and Military Service, by Julie M. Whittaker (Washington, DC: Congressional Research Service, 2006)

<sup>24</sup> *ibid*

<sup>25</sup> Dan A. Black et al., "Is the Threat of Reemployment Services More Effective than the Services Themselves? Evidence from Random Assignment in the UI System," *American Economic Review* 93, no. 4 (September 2003): accessed April 30, 2013, <http://www.jstor.org/discover/10.2307/3132290?uid=3739920&uid=2&uid=4&uid=3739256&sid=21101969758633>.

readjusting and we need to address that, but that's not everyone.”<sup>26</sup> Benjamin Armstrong, Director of Student Veterans Services at the University of Texas at Austin stated, “Veterans are working until the very last moment they exit the military. There is very little opportunity to plan for your next steps before you're actually there. Applying for unemployment and taking some time to figure it out is a very attractive option.”<sup>27</sup>

Figure 1 shows labor market activity among newly separated Veterans, aggregated from 1998-2008. One can see that over time (between one and twenty-four months after separation), more Veterans move from unemployed or not in the labor force status to employed. While a Veteran may be classified as unemployed, this does not mean they are receiving unemployment insurance. A classification of “not in the labor force” may mean that a Veteran is living solely off service-connected disability payments, Supplemental Security Income (SSI), or is simply a discouraged worker and has stopped seeking employment opportunities.

Figure 1: Labor Market Activity of Young Veterans

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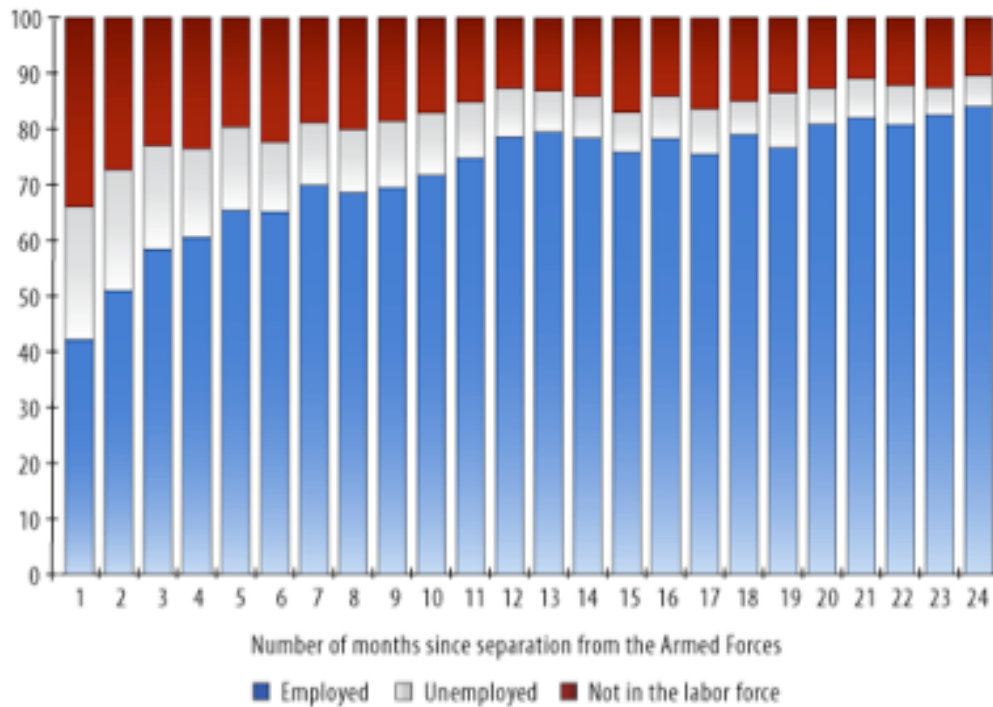
<sup>26</sup> Maria A. Kimble, interview by the author, Austin, TX, February 11, 2013

<sup>27</sup> Benjamin Armstrong, interview by the author, Austin, TX, March 29, 2013.



## Labor Market Activity of Young Veterans

Percent of veterans ages 18 to 24 in 1998-2008



Source: U.S. Bureau of Labor Statistics

[www.bls.gov](http://www.bls.gov)

Figure 2 shows employment to population ratio for Gulf-War II era Veterans from 2007-2009. These numbers may more accurately represent the condition of newly returned Veterans labor market engagement. In addition to employment to population ratio, the DOL monitors the number of job seekers for every available job opening in its monthly Job Openings and Labor Turnover Survey (JOLTS). While the number of job seekers per available position during the Great Recession was highest in January 2009, at over 6, the number has trended downward since then. The February 2013 JOLTS reported 3.1 job seekers for every opening, grim news for those without significant labor market experience.

Figure 2: Post 9/11 Veterans Employment to Population Ratio, 2007-2009

<i>Veteran status and sex</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>Percentage-point change, 2007-09</i>
<b>Gulf War-era II veterans:</b>				
Total .....	82.1	79.2	75.4	6.7
Men .....	85.1	82.2	77.5	7.6
Women .....	67.2	66.0	66.4	.8
<b>Nonveterans:</b>				
Total .....	76.3	75.3	71.7	4.6
Men .....	83.0	81.4	76.4	6.6
Women .....	70.2	69.8	67.4	2.8

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Whether or not a Veteran served in a highly specialized occupation offering technical, transferrable skills, transition assistance is key in formulating a plan to use their military experience to their advantage in the civilian world. After accounting for gender, Gulf War II era Veterans and non-Veterans alike have similar occupational profiles. One third of employed male Veterans work in management and professional occupations, a higher number than any other occupational group.<sup>29</sup> Public sector employment is also common for this group. A total of 25% of employed Gulf War II Veterans are employed in the public sector, in comparison with 14% of non-Veterans. The federal government employs 14% of Gulf-War II era Veterans, compared to 2% of

<sup>28</sup> James A. Walker, "Employment and earnings of recent veterans: data from the CPS," Monthly Labor Review, July 2010

<sup>29</sup> Bureau of Labor Statistics, "Employment Situation of Veterans Summary," news release, March 20, 2013, accessed May 1, 2013, <http://www.bls.gov/news.release/vet.nr0.htm>.

non-Veterans. Veterans also receive an automatic hiring preference for federal agencies, with an even stronger preference for those Veterans classified as disabled.

### **DEMOGRAPHIC EFFECTS ON LABOR MARKET OUTCOMES**

Analysis regarding the demographics of the post 9/11 military, particularly socioeconomic status, is highly politicized and contradictory. When the United States ended combat operations in Vietnam and moved to an all-volunteer force, concerns arose that military recruits would disproportionately Black and Latino, or socioeconomically disadvantaged. Leading conservative think tank the heritage foundation argues that this has not occurred. A 2008 report entitled “Who Serves in the U.S. Military? The Demographics of Enlisted Troops and Officers” reported that only 11% of enlisted recruits emerge from the lowest income quintile, where 25% come from the wealthiest.<sup>30</sup> On average, the military is also more educated than society as whole. 98% of military personnel completed a high school degree (as is required for enlistment without a waiver), and the Armed Services Vocational Aptitude Battery (ASVAB) scores have improved over time.<sup>31</sup>

Socioeconomic status is not the only pre-service factor affecting post-military employment outcomes. In 2008, the U.S. House of Representatives Oversight and Government Reform Committee released Pentagon data showing that both the Army and Marine Corps admitted more felons to their ranks than in 2006 under “major misconduct”

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<sup>30</sup> Shanea Watkins and James Sherk, *Who Serves in the U.S. Military? The Demographics of Enlisted Troops and Officers* (Washington, DC: Heritage Foundation, 2008)

<sup>31</sup> Adam B. Lowther, “The Post 9/11 America Serviceman,” *Joint Forces Quarterly*, no. 58 (Summer 2010)

waivers.<sup>32</sup> Army waivers more than doubled during this time, from 249 waivers in 2006 to 511 in 2007. Marine Corps waivers increased from 208 to 350 during this time. These waivers increases were coupled with a large increase in waivers for misdemeanor convictions, and were granted for convictions ranging from wrongful possession of drugs (marijuana not included), to grand theft auto and rape/sexual assault/sexual abuse. Representative Henry A. Waxman, a Democrat who chaired the Oversight and Government Reform committee at the time, stated, An increase in the recruitment of individuals with criminal records is a result of the strains put on the military by the Iraq war and may be undermining our military readiness.”<sup>33</sup> While less than 1% of military recruits in 2008 received a felony waiver, an increasing propensity to offer enlistment opportunities to those with blemished records may impact post-military aggregate outcomes. Military service, no matter how exemplary, may not assist a felon in attaining gainful civilian employment on their release.

## CONCLUSION

Addressing whether or not Veterans’ unemployment rate is actually a problem is a policy consideration on its own. While Veterans have earned their eligibility for unemployment insurance through their service, and some may choose to be temporarily unemployed or absent from the labor force in order to assess their skills and interests, pursue educational opportunities, or otherwise eschew full-time work in the short-term,

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<sup>32</sup> Lisette Alvarez, "Army and Marine Corps Grant More Felony Waivers," The New York Times (New York, NY), April 22, 2008, National edition, U.S.

<sup>33</sup> Alvarez, "Army and Marine Corps," U.S.,

few quality job opportunities are available for those who do seek to enter the labor market. Workforce development and educational programs must be held to a rigorous standard in preparing Veterans for slow job-growth and a highly competitive labor market.

### **Chapter 3: Barriers to Successful Labor Force Attachment**

Recent developments in workforce development programs, including intensive case management programs and wrap-around services, the emphasis on building social capital among program participants, and more recognition that traditional programs are not one-size-fits-all has led to a more innovative culture in workforce development programs. Chapter 5 of this report uses two non-profits as case studies for innovative programs that seek support Veterans in translating their experience to civilian skills and mitigate the impact of employer stigma on hiring practices and Veterans' experience in the workplace.

As early as 1976, in "A Discussion of Some Applications of Human Capital Theory to Military Manpower Issues," M.J. Albrecht stated "human capital theory has found a natural subject in the military. Because of its substantial investments in training, its host of essentially nontransferable skills, and its host of unique labor contracts...the military has been a conspicuous case for application of human capital principles for policy purposes."<sup>34</sup> While this may be accurate, policymakers learned few lessons from Vietnam-era reintegration challenges, and workforce investments for returning service-members and others have only continued to decline since that time.

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<sup>34</sup> Mark J. Albrecht, *A Discussion of Some Applications of Human Capital Theory to Military Manpower Issues*, research report no. P-5727, Papers (Los Angeles, CA: RAND, 1976)

## **BARRIERS TO SUCCESSFUL TRANSITIONS**

While barriers to successful transition from military work to the civilian labor market are numerous, this paper categorizes them into five key areas. The following categories are discussed throughout this document in the context of available Veterans services.

### **Health and Mental Health Concerns**

While intensive services for severely mentally ill and injured populations are mostly beyond the scope of this report, it is worth noting that health and mental health considerations can create barriers to successful transition. A 2012 VA healthcare utilization report revealed that as many as 30% of post-9/11 Veterans receiving care at the VA have been or are being treated for post-traumatic stress disorder (PTSD).<sup>35</sup> Traumatic brain injury and mild traumatic brain injury, a concussion, are now identified as the “signature injury” of post 9/11 Veterans. Organizations such as The Wounded Warrior Project provide educational opportunities and vocational rehabilitation to severely disabled Veterans, but those with moderate afflictions are often not

Inability to find gainful employment can also delay the healing process. According to Paul Andrew, managing director of employment and community services at the Commission on Accreditation of Rehabilitation facilities, “Veterans are now coming back with poly-traumas; most with closed-head injuries. When that happens, often the soldier’s and family’s dreams come to an end.”<sup>36</sup> Veterans facing multiple re-entry challenges, including physical and mental health concerns, are not aided by challenges

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<sup>35</sup> Epidemiology Program, Public Health Group, *Report on VA Facility Specific Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF), and Operation New Dawn (OND) Veterans Coded with Potential PTSD - Revised* (Washington, DC: Veterans Health Administration, 2012)

<sup>36</sup> Janet Marinaccio, *Veterans Employment Services: A Review of Effective Practices*, Mission Advancement (n.p.: Goodwill Industries International, 2009)

finding gainful employment. Meaningful employment opportunities can add a sense of purpose and success to an otherwise struggling individual's quality of life.

### **Employer Stigma**

While there is no empirical research to date on employer stigma in hiring post-9/11 Veterans, several of this project's interview subjects expressed concern on this matter. One public agency service provider stated:

“The Media has not done new Veterans a good service by focusing on combat trauma. While it's important to provide service and treatment, it does not help with reintegration. Employers fear that all Veteran employees will be unstable, unproductive, or unable to function in their work environment.”<sup>37</sup>

Employers who are unfamiliar with military culture or who are unable to make accommodations for Veterans who do experience health or mental health challenges affecting their work productivity may be hesitant to assume the risk. The U.S. Chamber of Commerce's national efforts to explain the soft skills Veterans return home with in order to recruit member businesses to participate in national job fairs and hire Veterans and their families are an attempt at reducing employer stigma, particularly for short term employment opportunities. The expansion of the Work Opportunity Tax Credit (WOTC) for Veterans specifically also attempts to mitigate some of the risk employers assume when taking on an untested worker.

### **Difficulty Translating Military to Civilian Job Skills**

Difficulty translating military training and experience to terms civilian employers are easily able to understand may be the most significant barrier to Veterans successfully

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<sup>37</sup> Interview, Anonymous.



attaching to meaningful and economically viable civilian work. This is particularly true for Veterans not facing debilitating physical or mental health concerns. Military training is extensive, and varies both in type and volume depending on a service member's chosen occupational specialty.

Despite training for a chosen classification, a Veteran may have performed multiple roles throughout their career, exposing them to a variety of skills sometimes forgotten about when attempting to transition to civilian employment. Jaime Nicoletti, OEF/OIF/OND Outreach Specialist at the Austin Vet Center stated, "You do so many jobs in the military. There's a lot of human resources stuff that goes on, most people have some type of training there. You may have one job, but end up doing another, having only short term training where you actually ended up working. Since that's not your actual job on paper, you don't have the any way to prove you did it. You may have a 40 hour training somewhere on the books, but if a lot of your training is on the job, then you can't really prove it." Without a comprehensive, uniform, and easily accessible guide to translating military competencies, Veterans with all types of training will continue facing challenges in connecting to the civilian labor market.

### **Employer Responsibility in a Slow-Growth Economy**

While recently-separated Veterans are eligible for unemployment compensation, and some argue that accessing these benefits exaggerates the young Veterans unemployment situation, there is considerable evidence to suggest that were every newly separated Veteran of working age to seek employment, they would be unable to find it. The Department of Labor's JOLT Report, which releases monthly information on

employment to population ratio and overall job growth, presents grim statistics on job availability. The BLS Employment Situation Summary for March 2013 showed the U.S. economy adding only 88,000 jobs, despite economist predictions of nearly 200,000 new jobs.<sup>38</sup>

In addition to the widespread misfortune created by a global recession, there is some evidence to University of Pennsylvania Professor Peter Cappelli argues in his book *“Why Good People Can’t Get Jobs: The Skills Gap and What Companies Can Do About It”* that the problem is neither a flaw in the American education and workforce system nor an inability to import qualified labor, but employers themselves. Cappelli describes employer resistance as “The Home Depot approach to the hiring process, in which filling a vacancy is akin to replacing a part in a washing machine.”<sup>39</sup> Employers are no longer willing to provide training as they once were, and expect to be able to find an exact match for their needs, thus eliminating candidates with enough aptitude and transferrable skill to do a job with some opportunity for training and practice.

### **Civilian Identity Development**

Some experts draw inspiration from theoretical perspectives initially rooted in other disciplines. Higher education administration researchers Chickering and Reisser’s

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<sup>38</sup> Christopher Matthews, "U.S. Economy Adds Just 88,000 Jobs in March; Unemployment Rate Falls to 7.6%," Time, last modified April 5, 2013, <http://business.time.com/2013/04/05/u-s-economy-adds-just-88000-jobs-in-march-unemployment-rate-falls-to-7-6/#ixzz2RzIGVlop>.

<sup>39</sup> Trey Popp, "Home Depot Syndrome, the Purple Squirrel, and America’s Job Hunt Rabbit Hole," The Pennsylvania Gazette, last modified January 2013, accessed April 21, 2013, [http://www.upenn.edu/gazette/0113/PennGaz0113\\_feature2.pdf](http://www.upenn.edu/gazette/0113/PennGaz0113_feature2.pdf).

“Seven Vectors of Identity Development,” offers a framework for a high school students’ transition to college. The “Seven Vectors” are:<sup>40</sup>

- Developing Competence
- Managing Emotions
- Moving Through Autonomy to Interdependence
- Developing Mature Interpersonal Relationships
- Establishing Identity
- Developing Purpose
- Developing Integrity

Dr. Jose Coll argues that these seven stages of transition are easily applied to the Veteran community as well. When a service-member prepares to leave active duty work, their identity is highly integrated into their role as military personnel- rank, occupational specialty, and relationships. Adjusting to a less structured environment, thus developing a new identity as a civilian, and more importantly a civilian employee, is crucial and challenging. Much like a student transition, external factors play a significant role in a Veterans acclimation to civilian life. Illness and injury, an employment culture too contradictory to that experienced in the military, family adjustment issues, and more can impact the service members ability to find both short term employment and attach to the labor market in a meaningful, career-oriented position in the long term.

#### **PRE-MILITARY IMPACT ON TRANSITION**

Dr. Jose Coll, Director of Student Veteran Services at St. Leo University, argues that a Veteran’s pre-military experience has a significant impact on their transition, and

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<sup>40</sup> Arthur W. Chickering and Linda Reisser, *Education and Identity*, 2nd ed. (San Francisco, CA: Jossey-Bass, 1993)

thus potential employment.<sup>41</sup> A Veteran's motivation for joining the armed forces may be rooted in family history of service, desire for educational opportunities and benefits, economic concerns about finding alternative gainful employment, or even a desire to travel. This diversity of backgrounds and rationale for enlistment contribute to varying the military experience. A recruit without meaningful civilian work experience may have little insight into their natural skills or interests outside of an ASVAB score, and may choose an occupational track with fewer transferable civilian skills, or may be unable to choose a career based on their interests, as opposed to critical military needs. All of these impact transition outcomes, and can only be addressed by providing more individualized services.

#### **TYPES OF TRANSITIONS**

How a Veteran leaves the military may also affect their attachment to the labor market. Veterans who leave the military at the conclusion of a given enlistment contract are considered "separated," whereas those who leave after 20-years of service are considered to have served a full career and are "retired." Service members can also be "medically retired," if they have sustained illness or injuries too severe to continue serving. Personnel may also be dismissed, denied reenlistment, or dishonorably discharged, categories which may create even stronger barriers to accessing services and transitioning successfully. These varying experiences may have different psychosocial impacts, and should be accounted for in developing new transition services.

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<sup>41</sup> Jose Coll, "Helping Returning Veterans Transition to Civilian Life" (paper presented at Civilian Social Work with Veterans Returning from Iraq and Afghanistan: Implications for Practice and Education, Austin, TX, April 11, 2013)

## **THE ROLE OF SOCIAL SERVICES**

While social services and supports for post 9/11 Veterans may not be ample or even adequate, they are available. As described throughout this paper, a mix of federal program operated through the VA, state programs coordinated via Veterans and Workforce Commissions, and non-profit efforts provide cursory employment services, and even intensive case management, for those most in need. Given the VA backlog for disability benefits, long wait-times for mental health appointments at clinics across the country, and an era of shrinking government service requiring increased reliance on the non-profit sector, service providers would be hard-pressed to say that services are adequate and easily accessible. However, even if evidence-based social services were readily available to all Veterans, labor force attachment is essential. If Veterans are unable to signal to employers that their military experience is relevant and valuable, and thus unable to connect to meaningful living-wage opportunities, social services will remain largely inconsequential in ensuring a successful long-term transition.

## **ADVOCACY EFFORTS**

Iraq and Afghanistan Veterans of America's "Combat to Career" campaign, with its tagline "No Veteran Should Come Home from Iraq or Afghanistan to an Unemployment Check," focuses on protecting the post 9/11 GI Bill as part of its fight to end post 9/11 Veteran unemployment.<sup>42</sup> IAVA was instrumental in passing the VOW to Hire Heroes Act in 2011, which mandated the new Transition Assistance Program and continues to advocate for meaningful legislation. The organization prioritizes grassroots advocacy from post 9/11 Veterans and their families, and regularly trains volunteers on

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<sup>42</sup> "Home," Combat to Career: The Fight to End Veteran Unemployment accessed April 22, 2013, <http://iava.org/combat2career>.

advocacy tactics to use on Capitol Hill. IAVA has recently turned its advocacy efforts to decreasing the VA backlog for disability claims from its current over five month average.<sup>43</sup>

## **CONCLUSION**

The barriers to successful transition to the civilian labor market are significant and diverse. A combination of personal wellness considerations, declining employer responsibility for training and development in a period of economic downturn, and a lack of effective means to explain military experiences and skills to civilian employers all contribute to persistent unemployment among the post-9/11 Veteran population. The following chapters address programs and policies at the federal, state, and local levels designed to assist both Veterans and employers in building civilian labor market attachment.

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<sup>43</sup> *ibid*

## **Chapter 4: The GI Bill and Higher Education as Workforce**

### **Development**

Higher education is generally considered a wise investment in one's own earnings potential. Increasing levels of educational achievement are repeatedly found to be correlated with higher incomes and lower unemployment rates, and more educated individuals fared better than their counterparts in the Great Recession. In 2012, mean weekly earnings for a civilian worker with only a high school diploma were \$652, compared with \$785 for a worker with an Associate's degree, and \$1,052 for Bachelor's degree.<sup>44</sup> Therefore, encouraging Veterans to maximize their GI bill benefits and a complete college education is a worthwhile economic investment. According to data from the Current Population Survey, educational attainment among Veterans has improved over the last decade. While the group lagged slightly behind the general population in attainment of a bachelor's degree, yet were more likely to hold an associate's degree.<sup>45</sup> Continuing to encourage GI bill use to obtain a degree or certificate, or otherwise build job skills, is a sound method to reduce Veterans unemployment.

### **MAKING THE MOST OF THE POST 9/11 GI BILL**

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<sup>44</sup> National Center for Veterans Analysis and Statistics, Educational Attainment of Veterans: 2000 to 2009, Rep. (2011).

<sup>45</sup> *ibid*

Since its inception after World War II, the GI Bill has played a key role in helping soldier, marines, airmen and sailors transition from military service to a successful, secure, and prosperous civilian life. President Franklin Roosevelt signed the Servicemen's Readjustment Act in 1944; the legislation provided a college scholarship to all those who served in uniform, regardless of whether or not they had seen combat. By 1947, over 50% of the nation's college and university students were Veterans.<sup>46</sup> While the program has been modified several times since inception, its most recent changes are geared specifically toward Gulf-War II Veterans. In 2008, Congress passed the post 9/11 Veterans Education Assistance Improvements Act, and replaced the Montgomery GI bill with the "Post 9/11 GI Bill" restoring the benefit to a comprehensive, World War II-style model. While the bill's benefits are more generous, they do not provide the same level of assistance as was available immediately after WWII. The bill took effect on August 1, 2009 and reforms the payment system to cover both tuition costs paid directly to a college or training program of the Veterans choice, and a housing stipend paid directly to Veteran them. Veterans who served 36 or more consecutive months receive the full benefit, though Veterans who serve at least 90 consecutive days, or are discharged with a service-connected disability after 30 days, after September 10<sup>th</sup>, 2001 are eligible for some assistance. The post 9/11 GI bill is available only to honorably discharged Veterans.<sup>47</sup>

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<sup>46</sup> Gilbert Cruz, "Time Magazine," A Brief History of: The GI Bill, last modified May 29, 2008, accessed April 28, 2013, <http://www.time.com/time/magazine/article/0,9171,1810309,00.html>.

<sup>47</sup> "The Post 9/11 GI Bill," U.S. Department of Veterans Affairs, accessed April 28, 2013, [http://www.gibill.va.gov/benefits/post\\_911\\_gibill/](http://www.gibill.va.gov/benefits/post_911_gibill/).



Unlike its most recent predecessor, the post 9/11 benefit is two-part, and pays educational assistance and housing assistance separately to the educational institution on record and a housing payment directly to the Veteran at the rate of an E-5, adjusted for the Veterans' geographic location. Thus, educational assistance covers up to the full cost of in-state tuition at the most costly public college or university in the Veterans' state. Some states offer additional programs to assist Veterans and their dependents in paying for higher education, a comprehensive table of which can be found in Appendix 4.

The post 9/11 GI Bill extends not only to undergraduate and graduate college degrees and vocational or technical education programs, but to non-traditional education opportunities as well. Veterans can use the benefit to cover flight training (past a private pilot's license), to take national educational tests (such as the Graduate Record Exam, Medical College Admission Test or Law School Admission test for admission to advanced degree programs) or licensure tests (of up to \$2,000 per exam), and to pay for individualized tutoring (up to \$1200 total).<sup>48</sup> The bill also pays for entrepreneurship courses offered by the Small Business Development Center (SBDC).<sup>49</sup> Employers can also benefit from GI bill use, as the bill will pay to supplement a Veteran's salary from an on-the-job-training or apprenticeship program.<sup>50</sup> In this case, the Veteran receives 100% of the monthly housing allowance (MHA) for the first 6 months of training, and 80% of the applicable MHA for months 6-12, to account for increases in pay once a Veteran

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<sup>48</sup> "The Post 9/11 GI Bill," U.S. Department of Veterans Affairs.

<sup>49</sup> *ibid*

<sup>50</sup> *ibid*

trainee reaches licensed or journeyman status in a given training program.<sup>51</sup> Providing compensation for vocational education may assist in addressing any persistent employer stigma, allowing an employer to hire an apprentice worker at lower-risk than if they were solely responsible for all specific training costs.

In addition to traditional, public undergraduate-level education and training, the new bill also offers assistance for more costly educational programs. If a Veteran attends a private institution in Arizona, Michigan, New Hampshire, New York, Pennsylvania, South Carolina, or Texas, they are eligible for additional funding, up to the full amount of tuition, at said institution. Veterans enrolled at private institutions not in one of the above seven states may be eligible for the Yellow Ribbon Program, an additional benefit designed to cover non-resident tuition at a state or private institution tuition provided the college or university will match the government contribution. Veterans can also use the Yellow Ribbon Program to support graduate education.

Much like the Montgomery GI Bill, the Post 9/11 version is used most frequently at for-profit and community colleges. The Chronicle of Higher Education reports that “among the fifteen institutions that enrolled more than 1,000 Veterans in 2010, seven were for-profits and five were community colleges.”<sup>52</sup> Benjamin Armstrong stated, “Community Colleges are critical. Some of our Veterans are ready to be here as soon as they come out, but not all. I get phone calls from guys telling me they want to go to the

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<sup>51</sup> *GI Bill Options: On-the-Job & Apprenticeship Training Programs* (Washington, DC: U.S. Department of Veterans Affairs, n.d.)

<sup>52</sup> Sewall, "Veterans Use New GI Bill," *The Chronicle of Higher Education*.

University of Texas and they get discouraged when I tell them to go to ACC first, but we know how important spending some time at a community college can be. I have guys coming in here with very few math skills telling me they want to be engineers, and they need to spend some time adjusting to college life first. The transition from military life to a campus like this can be challenging.”<sup>53</sup>

### **COMMUNITY COLLEGES**

One-third of institutions serving 1,000 or more Veterans using new GI bill benefits annually are community colleges. While advocates of the post-9/11 GI bill reforms argued that it would improve Veterans’ access to four-year institutions because of its more generous tuition benefits, 43% of Veteran students attended a community college in the first year after the post-9/11 GI bill passed.<sup>54</sup> Jim Selbe, Assistant Vice President of Lifelong Learning at the American Council on Education, stated “at community colleges, they’re much more likely to encounter other adult learners and get more attention...This is a moment of opportunity for the four-year colleges to learn from the community colleges what is so compelling about them to military undergraduates.”<sup>55</sup>

### **FOUR YEAR INSTITUTIONS**

Some four-year colleges are conducting specific Veteran outreach efforts. The University of Maryland University College, San Diego State University, and University of Utah all provide Veteran-specific orientations for new students, and recently opened

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<sup>53</sup> Armstrong, interview by the author

<sup>54</sup> Michael Sewall, "Veterans Use New GI Bill Largely at For-Profit and 2-Year Colleges," The Chronicle of Higher Education, last modified June 13, 2010, accessed April 30, 2013, <http://chronicle.com/article/Veterans-Use-Benefits-of-New/65914/>.

<sup>55</sup> *ibid*

campus offices to do so. Other institutions have opened research centers, like the University of Utah's National Center for Veteran Studies to "conduct research, provide outreach and vocational training, and engage in non-partisan advocacy for Veterans."<sup>56</sup> Benjamin Armstrong stated "We have to get to people where they are. Our students get how many emails a day? Information needs to come in formats they are more comfortable with, and able to easily digest. Veterans are used to protocol and procedure and a clear onboarding process that we have tried to replicate here. That said, most of them are transfers, and the processes are different than at the community colleges they came from."<sup>57</sup>

### **FOR-PROFIT UNIVERSITIES**

In addition to four-year state institutions, private research universities, small teaching colleges and other brick and mortar educational institutions, for-profit online universities are making an aggressive campaign for Veteran dollars. While community colleges may be an integral part of both a Veterans' transition to a four-year degree and the workforce development system, for-profit institutions tell another story entirely. Professionals in the field demonstrated concern repeatedly when faced with questions regarding these institutions. Maria Kimble stated "If I could make one change to the GI bill, our Veterans would not be allowed to use it at these schools." Benjamin Armstrong shared a similar sentiment, stating "We aren't doing anything to regulate these schools, and they're able to present themselves as if there is equity among higher education

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<sup>56</sup> Sewall, "Veterans Use New GI Bill," The Chronicle of Higher Education.

<sup>57</sup> Armstrong, interview by the author

institutions. There isn't. For a Veteran who doesn't know any better, these options look very tempting.”<sup>58</sup>

The University of Phoenix alone operates a military department with over 1,000 employees that specifically advise Veterans.<sup>59</sup> While Veterans are free to use their GI Bill aid for any approved education or training program they desire, concern has grown among policymakers regarding the large number of GI dollars being collected by these for-profit institutions. Between 2009 and 2011, for-profit institutions collected 37% of all GI bill payments, but only educated 25% of Veterans.<sup>60</sup> Because for profit institutions have been under scrutiny for some time regarding graduation rates, loan default frequency and job placement prospects, high utilization of these institutions among Veterans is concerning. Benjamin Armstrong understands why, stating “The for-profits do a great job of marketing to young Veterans. When people realize that they can work in some job and go to school, it's a hard sell to get them to make the choice to live on the GI bill stipend.”<sup>61</sup>

The following table shows the higher education institutions that receive the highest amount of G.I. bill payments. The top six are all for-profit institutions, with large publics like the University of California system, with a total of ten undergraduate campuses, falling far behind.

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<sup>58</sup> Sewall, "Veterans Use New GI Bill," The Chronicle of Higher Education.

<sup>59</sup> *ibid*

<sup>60</sup> Aaron Smith, "For-Profit Schools Cash in on the GI Bill," CNN Money, last modified June 26, 2012, <http://money.cnn.com/2012/06/26/news/economy/veterans-schools/index.htm>.

<sup>61</sup> Armstrong, interview by the author

Table 1: GI Bill Payments

<b>2009-2011 GI Bill Payments</b>	
<b>Private For-Profit Universities</b>	
University of Phoenix	\$196 Million
ITT Tech	\$175 Million
DeVry University	\$128 Million
Kaplan	\$50 Million
The Art Institutes	\$50 Million
West College	\$28 Million
<b>Public Universities</b>	
The University of California	\$20 Million
The State University of New York	\$15 Million

Source: The Chronicle of Higher Education<sup>62</sup>

As of the 2011 session of the Texas legislature, the Texas Workforce Commission is charged with regulating “career schools,” including private, for-profit universities. Regulatory legislation requires schools to display their accrediting agency conspicuously on their website and display the process for complaints, as well as report employment outcomes information to the Texas Workforce Commission. For-profit schools will also be included in the Texas Higher Education Coordinating Board’s Higher Education Accountability System.<sup>63</sup>

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<sup>62</sup> Sewall, "Veterans Use New GI Bill," The Chronicle of Higher Education.

<sup>63</sup> *ibid*

## **GETTING CREDIT**

In addition to the GI Bill assistance typically used after separation or retirement, active-duty servicemen and women are entitled to up to \$4500 annually in tuition reimbursement for post-secondary education courses taken during their service. The military tuition assistance program enables military personnel to begin earning a degree while still on active-duty. Comprehensive participation statistics in tuition assistance for active duty service members are not readily available, but multiple interview subjects for this paper asserted that program participation is low. The GAO reports that in 2011, the Department of Defense spent \$517 million on 377,000 individual service members who pursued coursework during off-duty time.<sup>64</sup> Much like GI bill utilization, a majority of tuition assistance funds are spent at for-profit schools, and 71% of coursework is completed via distance learning.<sup>65</sup> Those Veterans that do participate often face challenges getting credit for college courses they have completed during their military service. The program is frequently the subject of Congressional and Department of Defense debate, and was recently eliminated, and again restored, with the Congressional debates over budget sequestration.<sup>66</sup>

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<sup>64</sup> DOD EDUCATION BENEFITS Increased Oversight of Tuition Assistance Program Is Needed (Washington, DC: Government Accountability Office, 2011), 2

<sup>65</sup> *ibid*, 9

<sup>66</sup> Allie Bidwell, "Sequester Watch: Congress Votes to Protect Military Tuition Assistance and Limit NSF Spending," Bottom Line (blog), entry posted March 21, 2013, accessed May 2, 2013, <http://chronicle.com/blogs/bottomline/sequester-watch-congress-votes-to-protect-military-tuition-assistance-limit-nsf-spending/>.

### **CASE: COLLEGE CREDIT FOR HEROES**

College Credit for Heroes, a collaborative effort between the Texas Workforce Commission and the Texas Higher Education Coordinating Board, provides opportunities for Veterans to more easily enter civilian occupation by providing opportunities for Veterans to earn college course credit for their military training. The program's first focus was careers in allied health, so that military medics and other professionals could be closer to civilian licensure in careers such as nursing without starting from the beginning of a community college program. The initial phase of the program supports military training credit for transfer to registered nursing, surgical technologist, and emergency medical services level I and II certifications.<sup>67</sup>

Seven community colleges across Texas, located in Veteran-dense regions of Houston, San Antonio, and Killeen/Temple, participated in the initial program. These Phase One colleges included Central Texas College and Bell College in Temple County, the Alamo Colleges System in Bexar County, and the Houston Community College System, Lee College, Lone Star College System, and San Jacinto College in Harris County. <sup>68</sup> Each individual college developed its own program, with Central Texas College taking the lead on the web-based transcript tool. Now, any Texas Veteran can open an account with College Credit for Heroes online, input information regarding their military training and Community College of the Air Force (CCAF) coursework, and quickly receive a transcript from Central Texas College reflecting their military training.

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<sup>67</sup> College Credit for Heroes: Helping Veterans and Service Members Move from the Military to the Workforce (Austin, TX: Texas Workforce Commission, 2012), 29

<sup>68</sup> *ibid* 7



On average, Veterans who used the service during its first year, 2012, received 34 college credit hours, 17 of which are elective credits. This allocation equates to approximately one year of college.

While phase one of College Credit for Heroes focused on allied health careers, TWC allocated \$950,000 of its original grant to Phase Two implementation, which will begin assigning credit for the following “industry clusters.”

- Advanced technologies and manufacturing
- Aerospace and defense
- Biotechnology and life sciences, including health care
- Information and computer technology
- Petroleum refining and chemical products
- Energy

Programs such as College Credit for Heroes offer opportunities for some job classifications to overcome the challenge Veterans face in signaling to employers that they have marketable, transferrable skills. Additionally, offering a streamlined curriculum that avoids repetitive coursework allows Veterans to enter the civilian market sooner with minimal skill loss.

## **CONCLUSION**

An impressive number of resources are available to young Veterans seeking employment assistance, but navigating them can prove challenging. Aside from minimal internal evaluation, there is little research available regarding the effectiveness of the

programs to date. Higher education opportunities can provide an antidote to several of the employment barriers discussed throughout this paper. Attainment of a degree or certificate signals perseverance and tenacity to a civilian employer, who may see the Veteran and potential employee as “vetted” at a higher-level than military service alone can provide.

## **Chapter 5: Traditional Workforce Programs and Veterans' Services**

Workforce development programs, and the Workforce Investment Act as their primary vehicle for funding, are the subject of much criticism and analysis by both policymakers and academics. In “The Job Training Charade,” Gordon Lafer stated, “While training may be an effective strategy for modestly improving the earnings of a small number of workers, even the best-run training programs cannot provide a stepping-stone out of poverty for any significant numbers of Americans.” Nobel Laureate James Heckman stated “The best available evidence indicates that public training programs are an inefficient transfer mechanism and an inefficient investment policy for low-skilled adult workers.”<sup>69</sup> While young Veterans are not necessarily low skilled or poor, the combination of youth, relative civilian inexperience, and possible trauma put them at risk. However, evidence on the conventional wisdom on workforce development is not conclusive. A 2008 study using data from 12 states and 160,000 WIA participants in 2008 by Heinrich, et. al. found an average earnings impact of \$2600 annually for women, and \$1700 annually for men.<sup>70</sup> Workforce program participation clearly increases earnings potential in some circumstances.

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<sup>69</sup> Christopher T. King and Carolyn J. Heinrich, "How Effective Are Workforce Development Programs? Implications for U.S. Workforce Development Policies" (paper presented at Association of Public Policy Administration and Management, Baltimore, MD, November 2011), 1

<sup>70</sup> Carolyn J. Heinrich, Peter R. Mueser, and Kenneth R. Troske, Workforce Investment Act Non-Experimental Net Impact Evaluation (n.p.: IMPAQ International, 2008)

There are two generally agreed upon types of job training: general and specific. General training is broadly applicable to both a current employer and provides transferrable job skills future employers could also find useful. Military personnel receive both during their service. Advocacy groups, government agencies focused on Veterans services, and advocacy groups often focus on general training when referencing the valuable experience Veterans bring to a civilian workplace. Military training and experience is associated with being industrious, punctual, respectful, and focused, all qualities we assume a civilian employer would appreciate, and that would transfer well to post-military life. However, the military also expends extensive resources on specific training, with minimal incentive to provide transferrable skills due to the general sense of job security most active-duty personnel enjoy.<sup>71</sup> Training expenditures vary by branch of service and occupational specialty, but Garcia, Arkes, and Trost estimate that the Navy spends approximately \$19,000 per sailor in order to prepare them for ship service.<sup>72</sup> However, with recent Pentagon budget reductions and an imminent reduction in force, President Obama's call for a "career-ready military" may require defense personnel to think more critically about transferrable skill development for enlisted personnel.<sup>73</sup>

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<sup>71</sup> Albrecht, A Discussion of Some,

<sup>72</sup> Federico Garcia, Jeremy Arkes, and Robert Trost, "Does Employer-Financed General Training Pay? Evidence from the US Navy," *Economics of Education Review* 21, no. 1 (February 2002): [<http://www.sciencedirect.com/science/article/pii/S0272775700000455>]

<sup>73</sup> "Fact Sheet: President Obama's," The White House Office of the Press Secretary.

## **BUILDING HUMAN CAPITAL THROUGH MILITARY SERVICE**

The military has been a natural subject of human capital research since the introduction of the theory by Gary Becker in 1962.<sup>74</sup> In *Human Capital Theory*, Becker stated “the military is a clear example of an organization that pays at least part of training costs and does not pay market wages to skilled personnel.” While some of Becker’s work focuses on formal education, he also references the value of job training, and more specifically the difference between general and specific training, paid for by the employer. Infantrymen are the most frequent example of specific training. These personnel learn a highly specialized skill set to serve in first-line combat, much of which is inapplicable to civilian life and employment, particularly outside protective services occupations. Even in highly specialized, technical fields that do have civilian equivalents, ranging from air traffic controllers to military police to medics, military training can be unique and not always perfectly transferrable to the civilian world.

Governmental agencies, non-profit advocacy groups, and supportive employers often espouse the reliability, responsibility, strong management skills, and work ethic of Veteran employees. These soft skills, often learned through the professional rigor of military service, are considered “general” training, and applicable to all employment sectors. However, while Veterans are often “sold” as high quality employees, these soft skills do not always translate to high-paying, or even living wage jobs. In response to these challenges, federal and state agencies have sought to bolster and expand existing

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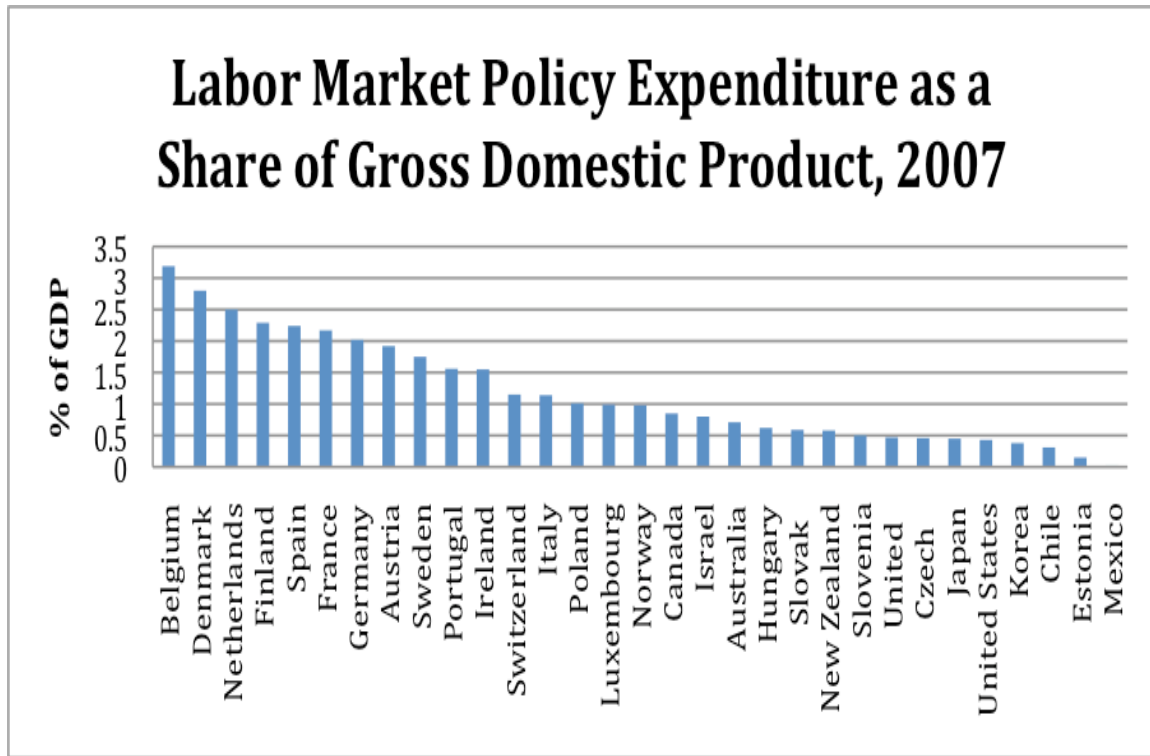
<sup>74</sup> Gary S. Becker, *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*, 3rd ed. (Chicago: University of Chicago Press, 1993)

workforce development programs and provide additional opportunities for Veterans to enter the civilian workforce.

### **THE U.S. WORKFORCE DEVELOPMENT SYSTEM**

The United States Workforce Development system is lacking in structure and effectiveness for the military and civilian populations alike. A multitude of Department of Labor grants, state workforce commission efforts, and local workforce boards operating a varying of services, from direct job-training programs to simple resume assistance, compose a system that is not easily navigable for even a seasoned job seeker in need of assistance. Funding for such programs is equally complex- compiled from a stream of Workforce Investment Act and Wagner-Peyser Act dollars, While the Department of Labor has attempted to increase available funds and resources for Veterans services through the Veterans Workforce Investment Program, the Veterans Retraining Assistance Program, and others. However, most of these investments have limited reach, and do little to systematically improve an already overextended U.S. workforce system. As of 2005, the U.S. spent less than .5% of Gross Domestic Product (GDP) on targeted workforce programs, As shown, the United States surpasses only Korea, Chile, Estonia and Mexico in percent of GDP invested in labor market policy. Figure 3 shows percentage of GDP spent on labor market programs.

Figure 3: Labor Market Policy Expenditure as a Share of GDP



Source: How Effective Are Workforce Development Programs? Implications for U.S. Workforce Development Policies<sup>75</sup>

While the American Recovery and Reinvestment Act (ARRA) increased U.S. spending slightly and temporarily in 2009, U.S. labor market investment levels are incomparable to its Western European competitors.

#### DEPARTMENT OF LABOR EFFORTS

Even prior to 9/11, the Department of Labor operated several workforce programs geared toward serving Veterans through its Veterans Employment and Training Services (VETS) office. VETS administers five programs: the Disabled Veterans Outreach Program, Employment Representative Program, Transition Assistance Program,

<sup>75</sup> King and Heinrich, "How Effective Are Workforce,"

Homeless Veterans Reintegration Program, and Veterans Workforce Investment Program. Collectively, these programs provide grants to state agencies, local workforce boards, and nonprofit organizations that manage Veterans employment programs. Figure 4 displays the federally managed workforce development programs targeted to Veterans, and their funding levels for FY 2011.

Figure 4: Federal Workforce Development Programs for Veterans

<b>Table 1: Federal Employment and Training Programs Targeted to Veterans</b>			
<b>Program and administering agency</b>	<b>Overview</b>	<b>2011 funding<sup>a</sup></b>	<b>Number of participants in fiscal year 2011<sup>b</sup></b>
Disabled Veterans' Outreach Program (Labor)	Formula grants to states to fund staff positions in the state workforce agencies. These staff provide employment services to eligible veterans. The law requires that to the greatest extent possible Labor hire qualified veterans to fill these positions. <sup>c</sup>	\$85,000,000	319,274
Employment Representative Program (Labor)	Formula grants to states to fund staff positions in the state workforce agencies. These staff reach out to employers to find jobs for veterans. The law requires that to the greatest extent possible Labor hire qualified veterans or eligible persons to fill these positions. <sup>d</sup>	\$72,000,000	292,506
Homeless Veterans' Reintegration Program (Labor)	Competitive grants to state and local agencies, for-profit/commercial entities, and nonprofit organizations to provide employment and supportive services to veterans.	\$36,000,000	15,956
TAP (Labor)	Provides workshops to help service members prepare for civilian employment.	\$7,000,000	141,327
VWIP (Labor)	Competitive grants to state and local agencies, for-profit/commercial entities, and nonprofit organizations to provide employment and supportive services to veterans.	\$9,000,000	4,269
Vocational Rehabilitation Program (VA)	Provides funding for staff located in field offices and subsistence allowances to veterans and pays for tuition, books, and supplies for veterans.	\$973,000,000	107,925 <sup>e</sup>

Source: Government Accountability Office, *Veterans' Employment and Training*

The Department of Labor states “Programs should maximize the eligible veterans' military skills, training, and experience by effectively exploring the transitional or transferable occupational opportunities of the geographical area in which the grant



would awarded.” Central Texas has received only one VWIP grant, made to the San Antonio-based American GI Forum for a green jobs initiative.

### **LEGISLATIVE EFFORTS**

The argument that young Veterans face joblessness because they are unskilled is a partial truth. While some service-members obtain meaningful military training while on active duty, these skills do not always translate to the civilian world. In addition to available workforce development funding and the long-standing Department of Labor VETS program, federal legislative efforts to encourage the hiring of Gulf-War II Veterans have been substantial.

### **VOW to Hire Heroes Act**

Through the Veterans Opportunity to Work (VOW) to Hire Heroes Act, employers receive tax credits in exchange for hiring a post-9/11 Veteran. The VOW to Hire Heroes Act contained several components designed to make the transition between military service and civilian work more seamless.

### ***Tax Credits as Employer Incentives***

In addition to providing training opportunity grants, VOW to Hire Heroes created the Work Opportunity Tax Credit (WOTC) and the Special Employer Incentive (SEI) program to encourage small businesses to hire newly returned Veterans. WOTC is available to private businesses and some non-profits with an interest in hiring Veterans

“who have consistently based significant barriers to employment.”<sup>76</sup> The SEI program provides a reimbursement of up to 50% of the employees’ salary for up to six months. Workforce professionals tasked with reaching out to employers and espousing the benefits of hiring Veterans are especially thankful for the SEI program. Miguel Ramirez, Employment Services Representative at The American G.I. Forum stated, “When I’m working with a Veteran who has 80% of the skills an employer needs, and an employer is hesitant because of training costs, I’m able to tell them we’ll cover 50% of a Vets’ salary for six months, and they’re more willing to take the risk. The goal is to support the employee to become permanent, and they and the employer are both able to benefit.”<sup>77</sup>

### ***Veterans Retraining Assistance Program***

The Veterans Retraining and Assistance Program (VRAP), while not geared exclusively toward the post 9/11 population as 65% of OEF/OIF/OND Veterans are under the age of 65, provides one year of education and job training financial assistance to Veterans aged 35-60 who have lost their jobs.<sup>78</sup> Career military personnel newly retired from active service could find such a program helpful, as would service members from prior eras struggling with labor market attachment. VRAP provides one year of GI Bill style benefits to Veterans who are otherwise ineligible for the post 9/11 GI Bill, Montgomery GI Bill, Vocational Rehabilitation and Employment Services, or other

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<sup>76</sup> "VOW to Hire Heroes Act 2011 - For Employers," VOW to Hire Heroes Act 2011 - For Employers, accessed May 2, 2013, <http://benefits.va.gov/vow/foremployers.htm>.

<sup>77</sup> Miguel Ramirez, interview by the author, Austin, TX, March 28, 2013.

<sup>78</sup> Walker, "Employment and earnings of recent,"

federal benefits. Veterans with a service-connected disability rating may be eligible for additional benefits, provide they have exhausted unemployment benefits. VRAP benefits were limited at their initiation. As of March 2013, VRAP had received 108,000 applications and approved over 91,000. A total of 31,000 Veterans were enrolled in an approved training program.<sup>79</sup> Because of the program's relative infancy, no evaluation data on participant outcomes are available.

### ***Other Benefits***

In addition to the primary programs above, VOW enables separating Veterans to earn the Veteran's preference for federal job applications prior to leaving the military. Because the civil service process can be arduous, this may assist Veteran seeking careers at the VA or other federal agencies in securing employment sooner, thus avoiding unemployment.<sup>80</sup> The bill also requires to Department of Labor to again "take a hard look" at military skills and training with the intention of designing a process to allow Veterans to more easily earn civilian licenses and certifications upon separation.<sup>81</sup>

### ***Transition Assistance Improvements***

In addition to providing employer incentives, the VOW to Hire Heroes Act modifies the longstanding Department of Defense Transition Assistance Program (TAP)

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<sup>79</sup> "Veterans Retraining Assistance Program (VRAP)," VOW to Hire Heroes Act 2011 - Veterans Retraining Assistance Program, last modified April 30, 2010, accessed April 30, 2013, <http://benefits.va.gov/vow/education.htm>.

<sup>80</sup> <http://veterans.house> "VOW to Hire Heroes Act of 2011: Comprehensive Legislation to End Veteran Unemployment," House Committee on Veterans Affairs, accessed April 30, 2013, <http://veterans.house.gov/vow>.

[.gov/vow](http://veterans.house.gov/vow)

<sup>81</sup> *ibid*

to Transition Goals Priorities Success, or “Transition GPS.”<sup>82</sup> In addition to requiring that most separating service members attend the previously optional briefing, the bill states:

“The Secretary of Defense shall ensure that each member of the Armed Forces who is participating in the Transition Assistance Program (TAP) of the Department of Defense receives, as part of such member’s participation in that program, an individualized assessment of the various positions of civilian employment in the private sector for which such member may be qualified as a result of the skills developed by such member through various military occupational specialties (MOS), successful completion of resident training courses, attaining various military ranks or rates, or other military experiences.”<sup>83</sup>

Even prior to the mandated redesign, an independent evaluation found that service members who participated in TAP found employment three week sooner post separation or retirement than those who did not.<sup>84</sup> Service members undergo extensive debriefing as they prepare to exit military service, and even a highly engaging, effective transition program may be difficult for some to absorb. Dr. Jose Coll, Director of Veterans Services at Saint Leo University, and a former Marine Corps Sergeant, stated “Someone stands in the room in front of you and tries to get you to listen to another presentation, and all you’re thinking is ‘Please just let me go home.’”<sup>85</sup>

Transition GPS consists five mandatory modules. The Department of Labor Employment Workshop, training on the Military Occupational Code Crosswalk, Financial Planning, VA Benefits Briefings, and Resilient Transitions. In addition to these introductory trainings, three two-day trainings on post-military options are offered-

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<sup>82</sup> "Transition CORE Curriculum and Tracks," DOD Transition Working Documents, accessed May 2, 2013, <http://nlc.ucdenver.edu/DoDTransitionWorkingDocuments.htm>.

<sup>83</sup> Vow to Hire Heroes, H.R. 674, 112th Cong., 1st Sess. (2011).

<sup>84</sup> [http://www.dol.gov/vets/programs/tap/tap\\_fs.htm](http://www.dol.gov/vets/programs/tap/tap_fs.htm)

<sup>85</sup> Coll, "Helping Returning Veterans Transition,"

higher education, technical training, and entrepreneurship.<sup>86</sup> The Small Business Administration facilitates the entrepreneurship track and teaches Veterans basic small business development principles, business plan methods, and provides opportunities to interact with small business owners. The vocational education track is facilitated by Veterans Affairs, and offers information on public workforce development opportunities, including using the GI bill for vocational training, and the VA's Vocational Rehabilitation program. In addition to TAP, some branches hold their own additional transition programming, which varies widely. Further evaluation of the Transition GPS will be required to assess its impact on the transition capacity of larger numbers of Veterans.

#### **VETERAN JOB CORPS INITIATIVE**

President Obama first mentioned the Veteran Job Corps Initiative publicly during his 2012 State of the Union address. The initiative would have provided \$100 million over five years for Veterans to partner with the Department of the Interior to “restore our great outdoors by providing visitor programs, restoring habitat, protecting cultural resources, eradicating invasive species, and operating facilities.”<sup>87</sup> The initiative would have provided \$166 million in COPS (Community Oriented Policing Services) grants and \$320 million in SAFER (Staffing for Adequate Fire and Emergency Response) grants to

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<sup>86</sup> "Transition CORE Curriculum and Tracks," DOD Transition Working Documents.

<sup>87</sup> "President Obama's Plan to Put Veterans Back to Work," news release, [Page #], February 3, 2012, accessed May 2, 2013, <http://www.whitehouse.gov/the-press-office/2012/02/03/president-obama-s-plan-put-veterans-back-work>.

local governments to encourage hiring Veterans into law enforcement positions.<sup>88</sup> In the spirit of many direct federal direct job creation efforts, this initiative was unsuccessful in the 2011 Congress. There have been no efforts to reintroduce the legislation this session.

#### **STATE LEVEL EFFORTS**

States and localities are tasked with managing most workforce development efforts and programs. Texas Veterans' services, and services to all low-income adults in need of employment services, are administered and provided by an often haphazard coalition of statewide commissions, local workforce development offices, and non-profit grantees. The Texas Workforce and Veterans Commission partner to provide services to individuals in need of assistance in transitioning to the civilian labor market, working to educate Veterans on basic labor market skills such as common job-search tools, resume writing, helpful interview techniques, and other tools they may lack when seeking to enter the civilian workplace.

#### **Case: The Texas Veterans Leadership Program**

The Texas Veterans Leadership Program is an agency within the Texas Workforce Commission that seeks to link Texas' newly returned veterans with meaningful employment after they exit the military. According to the agency website, "The Texas Veterans Leadership Program (TVLP)...serves to connect returning veterans of Iraq and Afghanistan with the resources and tools they need to lead productive lives

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<sup>88</sup> *ibid*

and enjoy the full benefits of the society they have willingly served.”<sup>89</sup> In 2008, Governor Rick Perry and Workforce Commissioner Tom Pauken recognized the need for “a major initiative to assist Texas Veterans of Iraq and Afghanistan upon their return to civilian life.” The agency is funded through December 2013, and is modeled after the Vietnam Veterans Leadership Program. The VVLP was a federal program that Commissioner Pauken developed as an official in the Reagan administration.

The TVLP was established to provide a clearinghouse for these services during a time of need for newly returned Veterans. Prior to establishing the TVLP, the Texas Workforce Commission had no exclusive programs for the young veteran population. Upon creating the program, Governor Perry stated “Returning veterans deserve our utmost appreciation, and we must honor their service by easing their reentry into the Texas workforce. The military provided them training and leadership experience in high-pressure situations and taught them devotion to unit integrity. Now the state of Texas will ensure that their unique skills are applied and further developed within our economy, helping them to succeed in the next phase of their lives.” While Veterans of all types are eligible for Workforce Investment Act (WIA) program funding for job re-training as well as the GI bill to cover educational expenses, the TVLP provides a unique resource focused on the OEF/OIF/OND population.

The TWC is managed by three commissioners, all appointed by the Governor. One commissioner each represents employers/business, labor, and the public. While no

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<sup>89</sup> "Texas Veterans Leadership Program," Texas Veterans Leadership Program, accessed May 2, 2013, <http://www.twc.state.tx.us/tvlp/texas-veterans-leadership-program.html>.

current organization chart is available, the TVLP has 22 staff. Executive Director Bob Gear has served the agency since its inception, originally working as a regional director before assuming his current position. The agency also employs three regional directors to oversee the work of the 18 Veteran Resource and Referral Specialists (VRRS).

The TVLP was originally funded for five years through the state appropriations process. According to the director, at present there are no plans for the agency to be reauthorized past this year. In order for the group to continue its work seamlessly, the legislature would need to approve additional years of funding in the current 2013 legislative session. At the time of writing, the legislature has not appropriated additional funding. Because the agency exists only temporarily, they have yet to evaluate the effectiveness of their services in any concrete way. No longitudinal data is available on individual Veterans that have used their services, and without these data the agency is unable to make a strong case for the effectiveness of its services and extending the program past this year.

The majority of TVLP work is done through the Veterans Resource and Referral Specialists. The eighteen VRRS' across the state do outreach, serve as case managers and otherwise perform the "on-the-ground" work of the TVLP in their respective geographic areas across the state. VRRS' work with individual veterans to highlight their military skills most easily transferrable to the civilian world, advocate for veterans with local employers looking to hire, and link veterans with any other services they may need to transition easily back to civilian life.



The TVLP relies on previous generations of Veterans' activism and the work of Veterans Services groups like the VFW, the American Legion and other community service organizations like the Knights of Columbus, the Goodwill, etc. to do much of its work, again an example of needed collaboration. Additionally, the TVLP could not be successful without business participation (those willing to hire Veterans with excellent skills but little experience in the civilian world), and labor unions working to integrate veterans into apprenticeship programs in the skilled trades.

Because the organization was funded through the legislative appropriations and began in 2008, the agency has made no efforts to expand or change since that time. Though the program is set to expire in 2013, Director Bob Gear suggested that the legislature may look at expanding the program due to a large number of veterans still returning from engagements in the Middle East.<sup>90</sup>

The TVLP may be a worthy program filling a void in services to young and newly returned Texas Veterans. While there is no official agency-wide advocacy program, director Bob Gear supports engaging more veterans in the advocacy process as an empowerment strategy. While the program appears to be valuable to participating Veterans, the program could expand to serve more young Veterans with more comprehensive services. The program conducts outreach to local businesses and chambers of commerce both statewide and locally, the state must step in to create additional opportunities for Veterans Employment.

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<sup>90</sup> Bob Gear, interview by the author, Austin, TX, October 5, 2012.

While the TVLP successfully links Veterans with available employment opportunities, it does not itself provide services. Though the agency does engage veterans of other wars to serve as mentors and community guides to the OEF/OIF/OND population, the agency could work to develop more young veteran volunteer leaders through its own program.

### **The Texas Detailed Work Activities Common Language Project**

The Texas Workforce Commission Labor Market and Career Information division embarked on the Detailed Work Activities project to address a growing problem in the Texas labor market. Despite persistently high civilian unemployment, employers continue to assert that they have difficulties finding the correct mix of skills and abilities to fill the jobs they have available, many of which pay a living wage and are career-oriented.<sup>91</sup> In their initial report, the authors defined the problem stating

“it is not uncommon for educators, workforce professionals and employers to talk around each other using concepts and jargon unique to their own environments. This hinders effective integration of even the best intentioned program initiatives. The result has been a multitude of compartmentalized workforce and education programs, marginally successful initiatives, wasted scarce resources, poorly focused directives and, most critically, an increasingly alienated employer community.”<sup>92</sup>

The project operates under the Pareto Principle, and argues that 80% of work can be condensed into a basic set of skill statements, with only 20% too detailed or discipline specific to be transferrable. The project also sought to “develop a structure and data set that allows stakeholders to transcend occupational titles as the sole means to

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<sup>91</sup> Rich Froeschle, The Texas Detailed Work Activities Common Language Project: Developing a Skills Based Talent Management System (Austin, TX: The Texas Workforce Commission, n.d.)

<sup>92</sup> *ibid*

describe these increasingly complex labor market dynamics.”<sup>93</sup> The group sought to build on the Department of Labor’s O\*Net project to provide more resources to employers seeking to find top candidates more easily. The LCMI is currently developing a Veterans-specific crosswalk that will focus on translating military occupational specialty work tasks into the common language framework. Such a tool that will undoubtedly be helpful for Veterans seeking both to translate their skills on civilian resumes and effective methods for explaining their training and experience during interviews and networking opportunities.

## **FEDERAL PROGRAMMING**

### **The OEF/OIF/OND Program**

In response to large numbers of Veterans from Iraq and Afghanistan returning home and separating from military service, the VA created a special intake program designed to assist post 9/11 Veterans with their separation or retirement from the military and offer them a positive first point of contact with the VA, a bureaucracy many find challenging to navigate. OEF/OIF program sizes at VAs across the country vary widely, depending on expected facility caseloads. Central Texas’ proximity to the Fort Hood Army Post in Killeen forces practitioners to conduct an average of six intake appointments each day.<sup>94</sup>

Every Post-9/11 combat Veteran newly enrolled in the VA meets with an OEF/OIF caseworker as their first point of contact with the system. Caseworkers conduct

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<sup>93</sup> *ibid*

<sup>94</sup> Anonymous, interview by the author, Temple, TX, February 20, 2013.

a simple yet comprehensive intake, assessing for Iraq and Afghanistan signature injuries of Post-Traumatic Stress Disorder (PTSD) and Mild Traumatic Brain Injury (mTBI), as well as Military Sexual Trauma (MST), and substance abuse disorders. The OEF/OIF/OND program is designed to help newly discharged Veterans navigate a complex and often overwhelming VA system. Caseworkers also ask one meaningful question- “What do you want the VA to do for you?” and get a wide range of answers. Brandon Barrera, a caseworker in the OEF/OIF/OND program in Central Texas, stated “I’m pretty good at building rapport with our Veterans, and I try to be a positive experience for their first time at the VA.”<sup>95</sup>

In addition to conducting intakes for each individual Veteran, the program provides intensive case management services for the “severely ill or injured” post 9/11 Veteran population. Severely ill or injured Veterans must be in one of seven categories. While caseworkers espouse the value of case management services, they are often so burdened with intake responsibilities that their ongoing clients go without the necessary comprehensive follow-up that makes a smooth transition. Veterans eligible for case management services receive assistance navigating the health and mental health issues that serve as barriers to employment, and can also receive assistance with other available public and community resources.

### **Vet Centers**

The Department of Veterans Affairs, in addition to its freestanding hospitals and outpatient clinics, operates community-based “Vet Centers” in over 300 locations across

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<sup>95</sup> Brandon Barerra, interview by the author, Temple, TX, April 24, 2013.

the country.<sup>96</sup> Vet Centers provide readjustment counseling services to combat Veterans and their families, outside of the traditional VA system. Some young Veterans associate receiving health care at the VA with a negative stigma, and may feel more comfortable off-site. Vet Centers are often more easily accessible to rural areas or bases themselves, allowing another point of contact with VA services for those who need assistance.

Jaime Nicoletti serves as OEF/OIF/OND Outreach Specialist for the Austin Vet Center, and seeks opportunities to educate Veterans about readjustment services. In an effort to ease Veterans transition back to the civilian workplace, the Vet Center conducts training for local employers on Veteran workplace culture and possible accommodations that could help a Veteran be more successful as they return to civilian life. The “From Soldier to Employee: Helping Combat Veterans Return to the Workforce” training recommends employers provide accommodations for Veterans to receive medical and mental health care if necessary, assess working environments for potential stressors such as loud noises, and including Veterans in any diversity training so that other employees develop a greater understanding of military culture and Veterans issues.

Nicoletti also emphasized the importance of providing good services to National Guard and Reserve Members and their employers. While Guard and Reserve member’s civilian jobs are protected through the Uniformed Service Employment and Reemployment Rights Act, the law only states that personnel have the right to “be

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<sup>96</sup> "Services," Vet Center, accessed May 1, 2013, [http://www.vetcenter.va.gov/Vet\\_Center\\_Services.asp](http://www.vetcenter.va.gov/Vet_Center_Services.asp).

reemployed in your civilian job.”<sup>97</sup> Interpretation of this law has resulted in internal reassignments to different jobs with the same company, different job tasks, different working hours, and different team members, all of which may be unsettling for a Veteran returning from combat. Nicoletti also stated “some Veterans return to work as soon as two weeks after they return home, because they need the money. That’s not a lot of time to transition and readjust to life here.”<sup>98</sup>

## CONCLUSION

Governmental services to aid both Veterans and employers at overcoming employment barriers are numerous, but not necessarily well coordinated or individually comprehensive. Given the five barrier categories discussed in previous chapters: health and mental health concerns, employer stigma, difficulty translating military to civilian job skills, employer responsibility in a slow-growth economy, and civilian identity development, workforce policy leaders face significant challenges. Improving coordination among governments, as opposed to overlapping services, encouraging more individualized service plans, and building stronger partnerships with the engaged private entities discussed in the next chapter are plausible next steps in improving workforce services to Veterans

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<sup>97</sup> Department of Labor, *Your Rights Under USERRA: The Uniformed Services Employment and Reemployment Rights Act* (Washington, DC: U.S. Department of Labor, n.d.), accessed May 1, 2013, [http://www.dol.gov/vets/programs/userra/USERRA\\_Federal.pdf](http://www.dol.gov/vets/programs/userra/USERRA_Federal.pdf).

<sup>98</sup> Jaime Nicoletti, interview by the author, Austin, TX, April 22, 2013.

## **Chapter 5: Non-Governmental Efforts**

### **BACKGROUND**

In addition to governmental services offered to Veterans, a variety of non-profit organizations have developed and began to serve the Veteran population. Organizations previously mentioned, such as the Iraq and Afghanistan Veterans of America, have emerged as powerful social and emotional support networks that serve as resource coordinators for individual Veterans, advocate on Capitol Hill, provide a media voice, and offer civilian supporters a way to support post-9/11 Veterans. While not all organizations provide direct workforce services, many provide links to services that will. Similar to publicly available programs, some non-profits provide resume and job search assistance, basic job and life-skills training, and other services geared toward low-income or at-risk populations.

### **NON-PROFIT SERVICES**

Goodwill Industries International, a widely recognizable organization known for providing workforce development services for at-risk or disabled Veterans' services, remains a leader in service coordination, employer outreach, and providing comprehensive services to Veterans in need of aid. Goodwill may be an attractive service provider for a Veteran distrustful of government services, particularly the VA system. A 2009 Goodwill report entitled "Veterans Employment Services: A Review of Effective Practices," analyzed the most common ways Goodwill serves Veterans in the post 9/11

era. The report addressed employer stigma and best practices for how to support Veterans in reintegrating into civilian work, including strengthening relationships with the VA and other service providers engaged in Veterans work, focusing on individualized services and recognizing that experiences in service and particularly in combat are unique, and building a knowledge base regarding mental health concerns and symptoms, reasonable accommodations, and other available community resources.<sup>99</sup>

### **Veterans Green Jobs**

Some non-profits, such as Veteran Green Jobs, are capitalizing on growing jobs sectors and political goodwill to train Veterans in non-traditional occupations. Based in Denver, Colorado with satellite work in California Veterans Green Jobs trains newly separated and retired Veterans in predominately blue-collar work in the green economy. Veterans Green Jobs not only provides entry-level employment opportunities for Veterans, but also does so in a growing industry where Veterans can transfer blue-collar skills to living wage positions with long term potential. When linking Veterans with employment and training opportunities, Veterans Green Jobs focuses on finding the right employer. John Toth, Director of Veterans Program for the organization stated,

“Employers want to sound Veteran-friendly but don’t necessarily do it. Employers don’t create process, they don’t know how to make a Veteran successful. Vets are looking for certain jobs that fit their culture- a sense of belonging, mentorship and loyalty. Vets are looking for that and may not be successful without it.”<sup>100</sup>

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<sup>99</sup> Marinaccio, Veterans Employment Services: A Review

<sup>100</sup> John Toth, interview by the author, Austin, TX, April 16, 2013.



Toth also offered perspective on what makes the 9/11-generation different from previous era Veterans:

“The post 9/11 group is an all-volunteer force, and 9/11 was the seminal event in their lifetime. When they come back, there’s some expectation that something will be available...that they’re going to be taken care of. That doesn’t translate to a \$10/hour job. When someone offers even \$25-\$30,000 per year, it doesn’t honor their sacrifice. You can circumvent that somewhat if employers are willing to demonstrate a career path.”<sup>101</sup>

In addition to training for careers in solar installation, Veterans Green Jobs runs a Conservation Corps program, where Veterans participate in training for “a season or two,” and then use newly acquired skills to transition to jobs with the Bureau of Land Management, the U.S. Forest Service, or similar state agencies. Toth stated “Vets come out with certifications, knowing how to use a chainsaw, firefighting equipment, etc. that can help them make their case for permanent employment with these other groups.”<sup>102</sup> Groups like Veterans Green Jobs also provide long-term supports to employers seeking to become Veteran friendly workplaces, a key service to a socially responsible employer willing to make cultural changes or accommodations in order to reap the benefits of Veterans’ skills and experience.

### **The Mission Continues**

Organizations such as The Mission Continues, a non-profit based in St. Louis, MO, focus on providing temporary assistance to Veterans through a community service mission. The organization provides year-long fellowships to newly returned Veterans

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<sup>101</sup> Toth, interview by the author.

<sup>102</sup> *ibid*

designed to help Veterans retrain camaraderie with other service men and women, develop professional skills and networking capabilities, and translate their learned military skills to the civilian world. Fellows serve six-month terms with their host organizations, and are encouraged to choose groups they feel compelled to serve. Host groups have ranged from Habitat for Humanity to Mothers Against Drunk Driving, and ease the transition from military to civilian life. A 2011 evaluation of the fellowship participant satisfaction conducted by researchers at Washington University found that 82% of fellows felt that participating helped them to improve their chances of finding a job, 91% felt it improved their performance on the job, 82% felt it improved their chances of getting a promotion, and 77% found it encouraged a career change.<sup>103</sup> Upon fellowship completion, 100% of the participants reported that they would “probably or definitely” stay involved in volunteer activities and public service in the future.<sup>104</sup> However, the study did not address objective employment and education outcomes for fellowship participants.

#### **PRIVATE SECTOR EFFORTS**

In addition to non-profit efforts at expanding Veterans employment programming, private, for-profit entities are rejecting the notion of negative employer stigma and have developed Veteran specific hiring efforts. These commitments vary, from Wal-Mart’s dedication to hiring any Veteran in need of work to the U.S. Chamber of Commerce’s

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<sup>103</sup> Monica M. Matthieu, Michael J. Pereira, and Ian D. Smith, Participant Satisfaction with The Mission Continues Fellowship Program for Post 9/11 Disabled Veterans, issue brief no. 11-37 (St. Louis, MO: Center for Social Development, 2011)

<sup>104</sup> *ibid*

extensive national network of job fairs and small business outreach to espouse the benefits of hiring newly returned Vets. Pinnacle Five, a group founded by the five of the former most senior enlisted officials in the U.S. Military is committed to “Educating the public about the value of hiring veterans and gaining corporate commitment to provide jobs, housing, and mentoring for veterans/families.”<sup>105</sup> Now successful in the private sector, the 2<sup>nd</sup> Sergeant Major of the Army, 14<sup>th</sup> Sergeant Major of the Marine Corps, 9<sup>th</sup> Master Chief Petty Officer of the Navy, 13<sup>th</sup> Chief Master Sergeant of the Air Force, and 8<sup>th</sup> Master Chief Petty Officer of the Coast Guard consult with interested businesses on the benefits of hiring Veterans and how to create Veteran-friendly workplaces.<sup>106</sup>

### **Wal-Mart**

America’s largest employer, the Wal-Mart Corporation, drew attention to itself in January 2013 when it pledged to hire 100,000 Veterans over the next five years.<sup>107</sup> Wal-Mart President and CEO Bill Simon stated “Let’s be clear: Hiring a veteran can be one of the best decisions any of us can make. These are leaders with discipline, training and a passion for service.”<sup>108</sup> Wal-Mart pledged that any OEF/OIF/OND conflict Veteran who sought employment would not be turned away.

While mass private sector hiring pledges like Wal-Mart’s may solve a short-term income problem for some Veterans, these efforts are not a pathway to secure, sustainable careers with opportunities for income security and advancement. Wal-Mart reports its

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<sup>105</sup> "Services," Pinnacle 5, accessed May 2, 2013, <http://www.pinnaclefive.com/services/>.

<sup>106</sup> *ibid*

<sup>107</sup> James Dao, "Wal-Mart Plans to Hire Any Veteran Who Wants a Job," New York Times (New York), January 14, 2013, U.S., [Page #], accessed May 2, 2013, [http://www.nytimes.com/2013/01/15/us/wal-mart-to-announce-extensive-plan-to-hire-veterans.html?\\_r=0](http://www.nytimes.com/2013/01/15/us/wal-mart-to-announce-extensive-plan-to-hire-veterans.html?_r=0).

<sup>108</sup> *ibid*

average hourly wage at \$12.67 per hour, while IBISWorld, an independent market research group found them to be \$8.81 per hour in the same year.<sup>109</sup> In contrast to military pay, a basic housing allowance, and no-cost family health insurance benefits, Wal-Mart can, at best, provide a short-term solution to Veterans unemployment; their efforts are largely insignificant in the context of Veterans unemployment and long-term outcomes. The company claims to have an annual turnover of 37%, which would require 500,000 annual store hires just to maintain their workforce.<sup>110</sup> Nelson Lichtenstein, labor historian and author of the book “The Retail Revolution: How Wal-Mart Created a Brave New World of Business,” stated “They like military people because they have a sense of hierarchy and a commitment to the organization they are in...that’s important to Wal-Mart.”<sup>111</sup>

### **U.S. Chamber of Commerce**

Beginning in March 2011, the U.S. Chamber of Commerce launched the Hiring Our Heroes Campaign with the goal of connecting job-seekers with companies interested in hiring Veterans. Veteran specific job fairs are the cornerstone of Hiring Our Heroes. As of December 2012, the Chamber and its partners hosted 388 job fairs in the 50 states and D.C. The Chamber also reports that 18,400 Veterans and military spouses found jobs

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<sup>109</sup> "Fact Sheet – Wages," Making Change at Wal-Mart, accessed May 2, 2013, <http://makingchangeatwalmart.org/factsheet/walmart-watch-fact-sheets/fact-sheet-wages/>.

<sup>110</sup> Jessica Wohl, "Wal-Mart Files U.S. Labor Charge Against Union," Reuters (New York, NY), November 16, 2012, [Page #], accessed May 2, 2013, <http://www.reuters.com/article/2012/11/16/us-walmart-union-idUSBRE8AF1DB20121116>.

<sup>111</sup> Dao, "Wal-Mart Plans to Hire," U.S.

through the fairs. 1,050 companies participated, nearly half of which were small businesses.<sup>112</sup>

### **100k Jobs Mission**

In March 2011, JPMorgan Chase and a coalition of companies began the 100,000 jobs initiative, a campaign to hire 100,000 Veterans by 2020. Participating companies range from retail entities (7-11 and JCPenney) to high tech industry leaders such as Cisco systems and Intel. While employer commitments are noble, these employers make no commitment to hiring Veterans into living wage jobs, let alone career-track positions. The 100,000 Jobs campaign partners advertise predominately on the U.S. Veterans Pipeline, another web portal offering a military to civilian skills translator, resume building service, and access to job postings for employers who have expressed interest in hiring Veterans.

### **Online Systems**

There are ample resources available online to help Veterans ease transition. The Syracuse University Institute for Veterans and Military Families has collaborated with the Chamber of Commerce Hiring our Heroes Initiative and Google to create “VetNet,” billed as “A Career Service for Those Who’ve Served.”<sup>113</sup> VetNet serves as yet another online resource guide for Veterans and potential employers, this time housed in a familiar social media platform. VetNet hosts three tracks: “Basic Training,” which covers

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<sup>112</sup> *Hiring Our Heroes Quarterly Report – December 31, 2012* (Washington, DC: U.S. Chamber of Commerce, 2012)

<sup>113</sup> VetNet Basic Training Track, accessed May 2, 2013, <https://plus.google.com/+VetNetBasic/posts>.

essential job skill development and search techniques, “Entrepreneur,” which connects Veterans interested in self-employment and small business ownership with relevant resources, and “Career Connections,” which helps Veterans build relationships with one another and with interested employers. In its first three months online, VetNet attracted 200,000 unique users.<sup>114</sup>

In addition to Careeronestop.org, the Department of Labor Education and Training Administration’s Military to Civilian skills job translator, several private agencies have built online systems attempting to ease the transition for young Veterans hoping to build on their military service, or build new careers entirely.<sup>115</sup> The 100,000 Jobs Mission operates U.S. Veterans Pipeline, and DOL Education and Training Administration (ETA) recently built upon their popular O\*Net site to create “My Next Move for Veterans,” a site where visitors can search careers by keyword or industry, or find a career similar to their military occupation. The premise of these systems is simple—any Veteran can input their job code, and the system returns either a list of knowledge, skills and abilities intended to be useful in resume writing or interviewing for civilian positions. Alternatively, some systems take occupational information and return civilian occupational areas that are similar, or use similar skills. As part of Hiring Our Heroes, the U.S. Chamber recently launched its “Personal Branding Initiative” in partnership with

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<sup>114</sup> *Hiring Our Heroes Quarterly*

<sup>115</sup> "Civilian-to-Military Occupation Translator," Career One Stop, accessed May 2, 2013, <http://www.careeronestop.org/businesscenter/Civilian-to-Military/civilian-to-military-translator.aspx>.

Toyota. The initiative promises a “Next Generation Skills Translator,” with more detailed information about occupational classifications in each military branch.

While these systems are easily accessible and can provide initial guidance to an unemployed Veterans’ job search, they are somewhat lacking in direction as to how a service member could achieve their goal, particularly in regard to benefits available to assist them in doing so. Figure 1 shows an output for Army M.O.S. Code 11B, a general infantryman.